

Over the last six years, the President and previous Congresses - after enacting the most reckless fiscal policies in American history - have turned a projected surplus of \$5.6 trillion into record budget deficits and additional debt of more than \$3 trillion. The total debt currently held by the United States is rapidly approaching the \$9 trillion mark, with the individual share of that debt for each American nearing \$30,000.

Also disturbing is how much of that debt is now foreign-held. Since 2001, the amount of foreign-held debt has more than doubled from about \$1 trillion in 2001 to \$2.1 trillion today. And, interest payments on the national debt have increased from \$206 billion in 2001 to a projected \$256 billion under the President's budget for 2008 - consuming more than 20 percent of all individual incomes taxes.

In order to begin the process of turning our fiscal ship around, the House passed a fiscally responsible budget in late March that invests in the right priorities for America and stands in stark contrast to the extraordinarily irresponsible fiscal policies of the last six years. While we cannot turn around six years of unmitigated irresponsibility in one single budget, the House has certainly taken a bold step in righting the fiscal wrongs that have dug us deep in deficits and significantly hampered our ability to address our nation's priorities.

First, this fiscally responsible Democratic budget will bring the federal budget back to balance by 2012. Over the next five years, the cumulative deficit in our

budget is \$234 billion lower than the President's budget. Our budget strictly adheres to the pay-as-you-go budget rules that were reinstated in January by the new Majority, and which Republicans allowed to expire in 2002. The Concord Coalition even says this budget is "a successful first test of how seriously they [House Democrats] plan to abide by [the PAYGO] rule." Furthermore, this Democratic budget invests in our priorities without increasing the deficit. It provides for the necessary resources to meet critical threats to the nation and to deliver top-notch health care to those who have made the ultimate sacrifice. It increases funding for veterans' services by \$6.6 billion over the 2007 level to cover the VA's increasing patient load and the cost of forthcoming recommendations to improve health care facilities and treatment for service members and

veterans. And, it makes critical investments in education, children's health care, transportation infrastructure, and alternative energy research and development - while rejecting the President's request to cut Head Start, LIHEAP, COPS and first-responder programs, and Community Development Block Grants. Finally, our budget accommodates immediate relief for the tens of millions of middle-income households which would otherwise be subject to the alternative minimum tax - while calling for the extension of middle-class tax cuts

that are not due to expire until December 31, 2010.

At its core, the budget is a statement of values and priorities and the choices we make to ensure the democratic ideals of equality, opportunity, and prosperity for all.

The Democratic House budget passed this year lives up to our values and priorities and represents this Congress' choice to restore fiscal responsibility, to invest in the

right priorities for America, to spare future generations from inheriting a legacy of debt, and to take our country in a new direction.